
HOUSE BILL 2261

State of Washington

68th Legislature

2024 Regular Session

By Representative Reeves

Read first time 01/10/24. Referred to Committee on Finance.

1 AN ACT Relating to a tax preference requirement for employee
2 student loans; and adding a new section to chapter 82.04 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.04
5 RCW to read as follows:

6 (1) For all tax preferences created, expanded, or extended under
7 this chapter on or after January 1, 2025, a taxpayer receiving a tax
8 preference must provide student loan payment assistance to full-time
9 permanent employees working in a position that requires a
10 baccalaureate degree or advanced degree according to industry
11 standards.

12 (2) Student loan payment assistance required under this section
13 may include providing employees one of the following options:

14 (a) A signing bonus;

15 (b) An additional sum to an employee's regular paycheck amount;

16 (c) Reoccurring payments directly to an employee's student loan
17 servicer or through a third-party loan servicer or application;

18 (d) A trade-in for unused vacation time for moneys the employee
19 must use to pay towards their student loans; and

20 (e) An additional employer retirement contribution matching an
21 amount the employee pays out of each paycheck towards student loans.

1 (3) (a) A certificate of compliance that attests to a taxpayer's
2 compliance with subsection (1) of this section is required to be
3 submitted by the taxpayer and verified by the department.

4 (b) The certificate must be in a form and manner prescribed by
5 the department.

6 (4) (a) If a taxpayer fails to submit a certificate of compliance
7 or the payment required under this section, the department must
8 declare:

9 (i) 35 percent of the amount of the tax preference claimed for
10 the previous calendar year to be immediately due and payable;

11 (ii) An additional 15 percent of the amount of the tax preference
12 claimed for the previous calendar year to be immediately due and
13 payable if the person has previously been assessed under this
14 subsection for failure to submit a certificate of compliance or
15 payment under this section for the same tax preference; and

16 (iii) If the tax preference is a deferral of tax, the deferred
17 tax divided by the number of years in the repayment period to be
18 immediately due and payable. If the economic benefits of the deferral
19 are passed to a lessee, the lessee is responsible for payment to the
20 extent the lessee has received the economic benefit.

21 (b) The department may not assess interest or penalties on
22 amounts due under this subsection (4).

23 (5) The department may adopt rules necessary to implement this
24 section.

25 (6) Chapter 82.32 RCW applies to this act.

26 (7) For purposes of this section:

27 (a) "Advanced degree" means a degree program beyond the
28 baccalaureate level and includes graduate and professional degree
29 programs.

30 (b) "Student loan" means a student educational loan for higher
31 education expenses at an accredited institution of higher education
32 in the United States.

33 (c) "Tax preference" has the same definition as in RCW
34 43.136.021.

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